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**IMPROVEMENTS FOR THE OPERATION OF CHINESE
FOOTBALL LEAGUE BY ANALYSING THE SUCCESS
ASSETS OF ENGLISH PREMIER LEAGUE**

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ABSTRACT

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<p>The purpose of this thesis is going to analyze the success assets of English Premier League (which is now the most successful football league in the world) and the defects of Chinese Super League by analyzing the financial statements of the Premier League, and try to make some possible improvements for Chinese Super League according to the results of the analysis.</p>		
Key words sport business, financial statement, marketing strategy, promotion strategy		

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1. INTRODUCTION

As the most popular sport in the world, football always has great influence on people all over the world. In the last 30 years, with the development of media technology, the European football leagues have got great success in the world football market, not only in Europe, but also in Asia, Africa, America and so on.

As one of the biggest markets in many areas, the Chinese market has certainly been influenced quite a lot. More and more people have become fans of some European football clubs, or at least got interest to watch some big matches on television at weekends.

However, compared with the success of the European football in the Chinese market, the development of Chinese football leagues is becoming obviously worse. More and more people have even lost their interest in Chinese football. For example, most of the football fans would like to watch the matches of the European leagues which are held at midnight of local time rather than watch the matches of the Chinese leagues which are held at eight o'clock in the evening.

The purpose of this thesis is going to analyze the success assets of English Premier League (which is now the most successful football league in the world) and the defects of Chinese Super League by analyzing the financial statements of the Premier League, and try to make some possible improvements for Chinese Super League according to the results of the analysis.

The thesis can be divided into four main parts. At first there will be some data about the finance situation of English Premier League. The second part will show the success assets of the Premier League after analyzing these data. And then the defects of Chinese Super League will be found out after listed the success assets of the Premier League. The final

part will contain some possible improvements for the operation of Chinese Super League.

The main references of the thesis are some books about marketing management, some reports about football business and some articles from some sports websites.

2. MARKET-ORIENTED APPROACH TO FOOTBALL

The marketing strategy of a football league can be set up by developing an integrated marketing mix. The marketing mix is the set of tactical marketing tools (product, price, place, and promotion) that the firm blends to produce the response it wants in the target market. (Kotler & Armstrong, 2012, 75)

Product means the goods-and-services combination the company offers to the target market. The main products of a football league are the football matches between the football clubs in the league. There are also other peripheral products such as the kits and the official souvenirs. (Kotler & Armstrong, 2012, 75)

Price is the amount of money customers must pay to obtain the product. The prices of the products of football could be the prices of the tickets, the television rights and the peripheral products. These prices will be set according to the rankings and the popularities of different clubs. (Kotler & Armstrong, 2012, 76)

Place includes company activities that make the product available to target consumers. The customers can watch the matches in the stadiums after buying the tickets, or they can watch the matches which are broadcasted on television. The peripheral products could be bought in the official stores of the clubs or the distributors. (Kotler & Armstrong, 2012, 76)

Promotion means activities that communicate the merits of the product and persuade target customers to buy it. The products of football can be promoted by improving the levels of the matches, improving the quality of broadcasting, organizing some oversea pre-season matches and so on. (Kotler & Armstrong, 2012, 76)

People is another factor which can be added into the marketing mix. It refers to the staffs

who work for the business. In football the people can be the football players, the managers, the coaches and other staffs who work for the football clubs. (The 5 Ps of Marketing, 2012)

3. REVENUE SITUATION OF ENGLISH PREMIER LEAGUE

The Premier League has become the most successful football league all around the world in the last 20 years, not only because of the high level football matches, but also because of the success in its commercial operation, which can be shown by the data of the financial situations.

3.1. Total Revenue

Deloitte Football Money League (2009/10 Results)									
E. mls	Rank	Match Day	TV	Commercial	TOTAL	Match Day as % of Total	TV as % of Total	Commercial as % of Total	
Real Madrid	1	106	130	124	359	29%	36%	34%	
Barcelona	2	80	146	100	326	25%	45%	31%	
Man United	3	100	105	81	286	35%	37%	28%	
Bayern Munich	4	55	68	142	265	21%	26%	54%	
Arsenal	5	94	87	44	224	42%	39%	20%	
Chelsea	6	67	86	56	210	32%	41%	27%	
AC Milan	7	26	116	52	193	13%	60%	27%	
Liverpool	8	43	80	62	185	23%	43%	34%	
Internazionale	9	32	113	40	184	17%	61%	22%	
Juventus	10	14	109	46	168	8%	65%	27%	
Man City	11	24	54	47	125	20%	43%	37%	
Tottenham	12	37	52	32	120	31%	43%	26%	
Hamburg	13	40	28	52	120	34%	23%	43%	
Lyon	14	20	64	35	120	17%	54%	29%	
Marseille	15	21	58	37	116	18%	50%	32%	
Schalke 04	16	21	29	65	115	18%	25%	57%	
Atletico Madrid	17	29	51	22	102	29%	50%	21%	
AS Roma	18	16	54	31	101	16%	53%	31%	
VfB Stuttgart	19	25	39	30	94	26%	42%	32%	
Aston Villa	20	24	52	13	90	27%	58%	15%	

FIGURE 1. Deloitte Football Money League of the 2009/10 Season (Deloitte Sports Business Group, 2010)

According to the Deloitte Football Money League of the 2009/10 season, there are seven clubs from the Premier League in the top 20 rank by the revenue of European football clubs. Furthermore, the total revenue of all the clubs from the Premier League is around 2 billion pounds, which is much higher those of the other football leagues. These all show

that the Premier League has huge advantages in the financial area compare with the others.

The revenue of Premier League clubs can be divided into three main parts, which is shown by the table above, the revenue from match day, television broadcasting and commercial income.

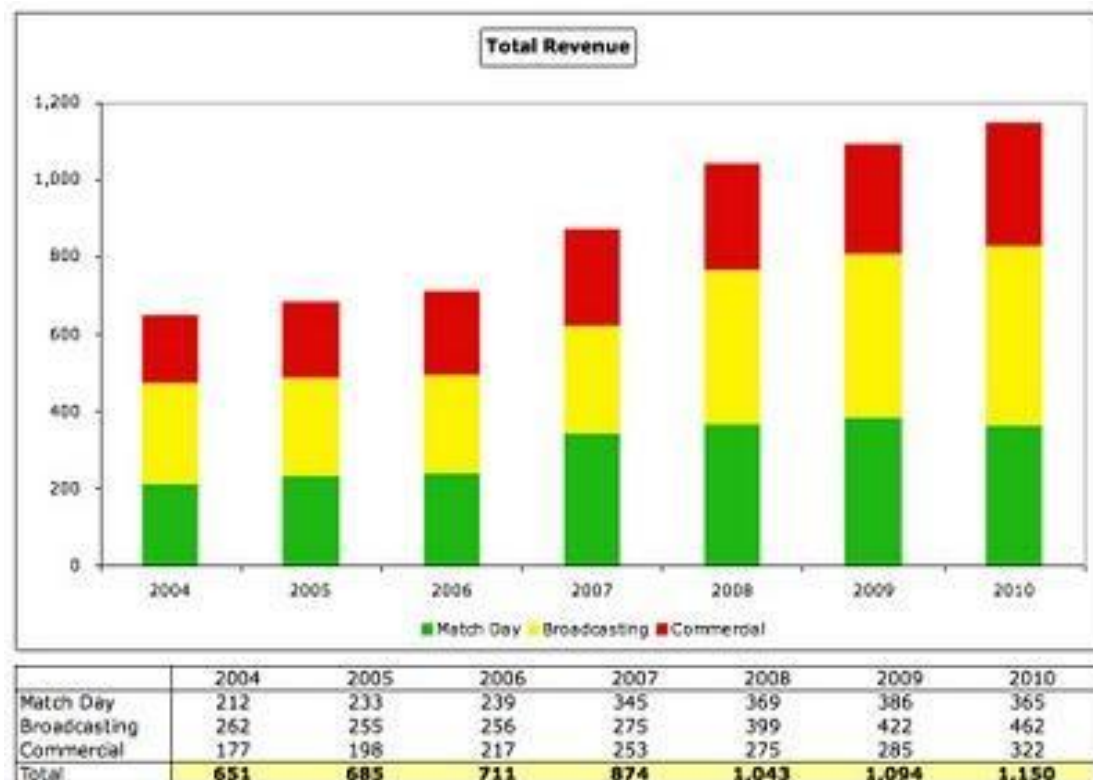


FIGURE 2. Total Revenue of the Premier League from 2004 to 2010 (Deloitte Sports Business Group, 2010)

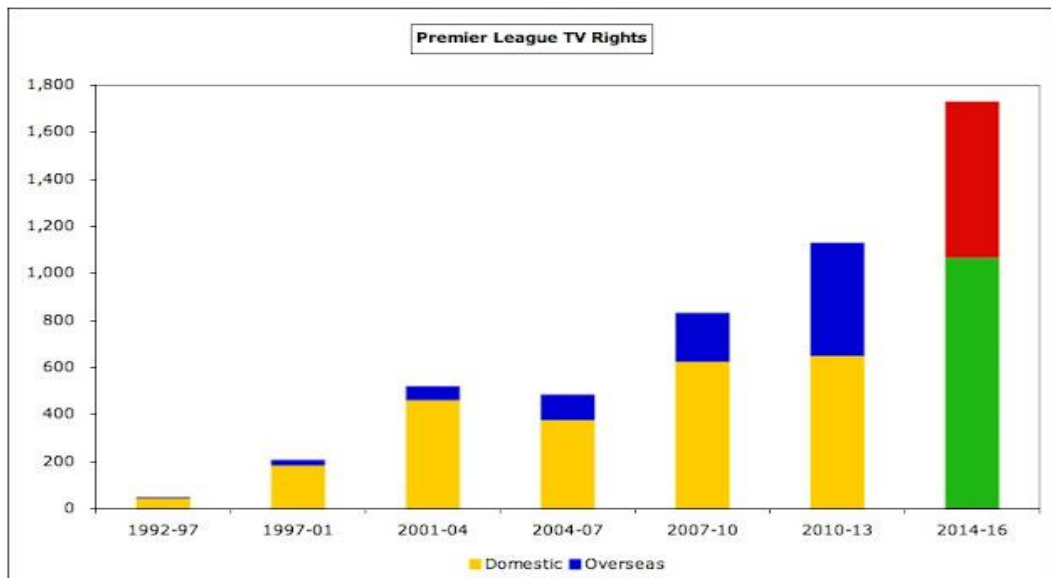
The comparison of the ratio in the total annual revenue between 2004 and 2010 show that the revenue from television broadcasting has become the most important and the largest element among the three, which makes almost 50% of the revenue for Premier League clubs. It has taken the place of the revenue from match day, which used to be the most important source of income, but now has a quite low growth rate between each of the seasons. It has even decreased by around 5% in the 2009/10 season. The commercial income also got a low growth, which has increased by 3% than the previous season. But it

was only a little less than that from the match day in the 2009/10 season.

In the next chapters there will be more details about the revenue from television broadcasting, match day and commercial income.

3.2. Television Broadcasting

The revenue from television broadcasting has now become the largest part of the income of Premier League clubs instead of the revenue from match day. With the development of television broadcasting technology and the long-term cooperation with Sky Sports (pay-TV sports channels in UK and Ireland), more and more audiences are attracted by the broadcasting of the Premier League, especially the overseas audiences. And with the huge influence on audiences, the league can get much more revenue from the deal of the television rights than in the past.



£ mlns	1992-97	1997-01	2001-04	2004-07	2007-10	2010-13	2014-16
Sky	191	670	1,200	1,024	1,314	1,623	2,280
Setanta/ESPN/BT					392	159	738
Live Matches	191	670	1,200	1,024	1,706	1,782	3,018
Highlights	23	73	183	105	172	172	180
Domestic	214	743	1,383	1,129	1,878	1,954	3,198
Overseas	40	98	178	325	625	1,437	2,000
Total	253	841	1,561	1,454	2,503	3,391	5,198
Number of Years	5	4	3	3	3	3	3
Domestic	43	186	461	376	626	651	1,066
Overseas	8	25	59	108	208	479	667
Average per Year	51	210	520	485	834	1,130	1,733

Note: Overseas TV deal for 2014-16 estimated at £2 billion.

FIGURE 3. Premier League TV Rights from 1002 to 2016 (Deloitte Sports Business Group, 2012)

The current value of domestic television rights of the Premier League is 1.8 billion pounds, which is almost as the same level as the last deal cycle. It seems that the domestic market might have reached saturation point. On the other hand, the value of overseas television rights is now worth 1.4 billion pounds, which rises by around 130% than the last 625 million pounds. As it is obviously shown by the graph, the value of overseas television rights has a stable growth rate between each of the past deal cycles.

The Premier League has just signed a new three-year deal of domestic television rights which will be worth 3 billion pounds, a rise by around 70% of the current 1.8 billion pounds. With the payment of highlight by BBC which will be worth 180 million pounds, an increase by 4.5% to the current 172 million pounds, the total value of domestic television rights will be 3.2 billion pounds. Considering the reasonable growth rate, the value of overseas television rights will be estimated at 2 billion pounds. It means that the total value of the television rights will be 5.2 billion pounds in the next three-year cycle, which might have an annual average of 1.7 billion pounds, a rise by 50% to the current 1.1 billion pounds. (Barclays Public Limited Company, 2012)

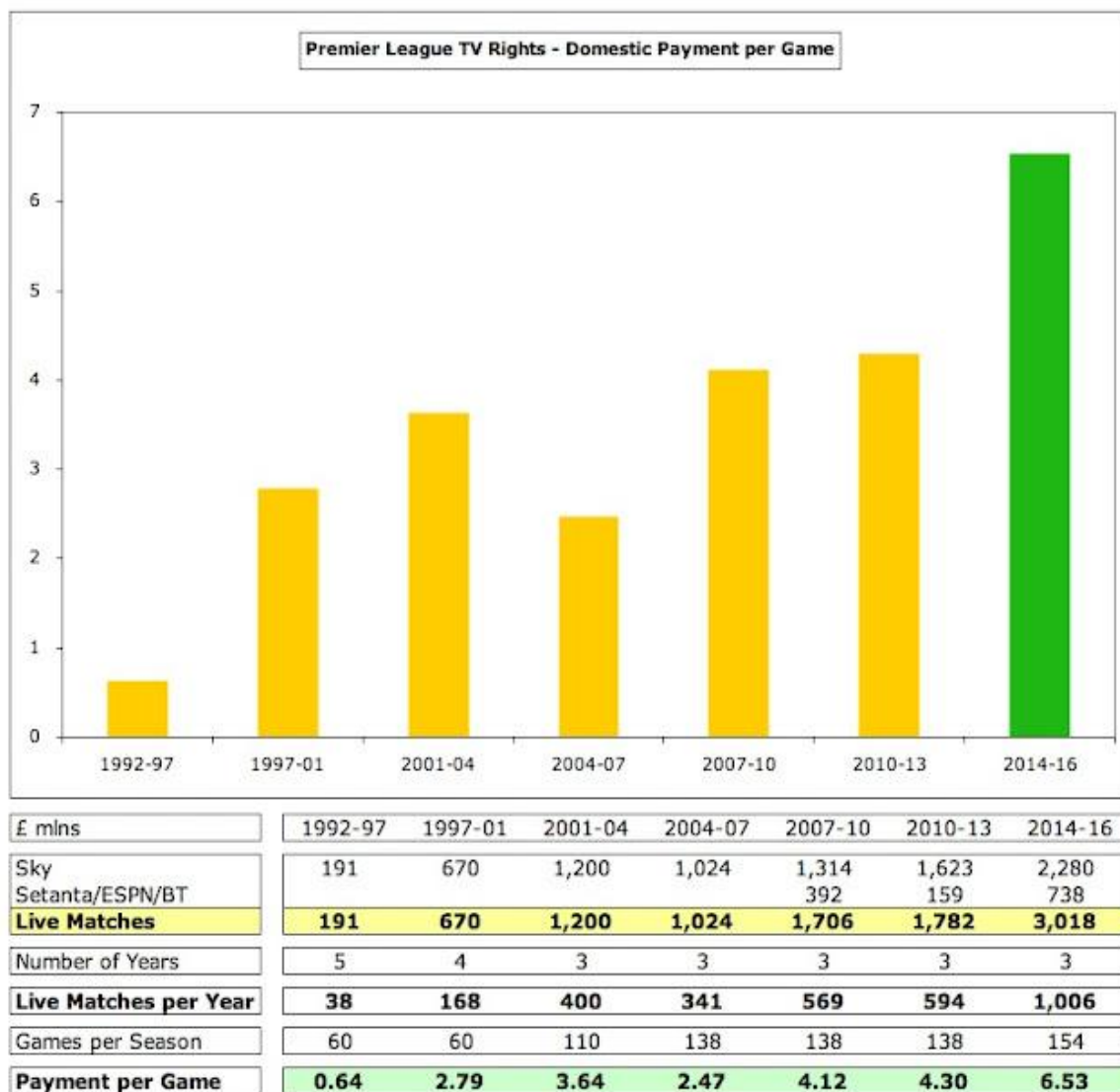


FIGURE 4. Domestic Payment per Game of Premier League TV Rights (Deloitte Sports Business Group, 2012)

As mentioned before, the value of domestic television rights might have reached saturation point according to the growth rate between each of the past deal cycles. But the new domestic television deal will still get 70% growth in the next three-year cycle. One reason for the growth is that more matches will be broadcasted on the television than in the past. There will be 154 matches broadcasted in every season in the next three years, an increase by 12% to the current 138 matches, which has been stopped rising since the cycle in 2004-07.

Another reason is the value growth of the payment for broadcasting the matches. The new payment will be 6.5 million pounds per match, a rise of 50% to the current 4.3 million pounds, which will be a huge amount compared with the payment in the first deal cycle in 1992-97.

At the same time, according to the estimation before, the new overseas television deal could rise by at least 40% from the current 1.4 billion pounds. All these revenue growths show that the Premier League has great market value of television broadcasting, which might have possibility of growth in the future.

3.3. Match day

Although having been exceeded by television broadcasting, match day is still a quite important element of the revenue of Premier League clubs. The main income from match day is the sale of the tickets. So the basic way to improve match day revenue is to increase the number of the spectators. With the great football environment and high level football matches, Premier League clubs could always get high attendances during the match days, not only the top six clubs (Manchester United, Arsenal, Chelsea, Liverpool, Manchester City and Tottenham Hotspur), but also the small clubs which just promoted to the Premier League from the Football League Championship (the second-highest division after the Premier League).

Home attendance							
		Average	Minimum	Maximum	Total	Capacity	%Full
1	Manchester Utd	75,387	74,719	75,627	1,432,358	76,212	98.9%
2	Arsenal	60,000	59,643	60,111	1,140,006	60,355	99.5%
3	Newcastle Utd	49,935	42,684	52,389	948,777	52,389	95.3%
4	Manchester City	47,044	46,321	48,000	893,851	48,000	98.0%
5	Liverpool	44,253	40,106	45,071	840,808	45,362	97.6%
6	Chelsea	41,478	40,651	41,830	788,089	41,841	99.1%
7	Sunderland	39,095	32,296	47,751	742,813	49,000	79.8%
8	Tottenham	36,026	35,172	36,274	684,501	36,310	99.2%
9	Aston Villa	33,873	30,100	40,053	643,590	42,788	79.2%
10	Everton	33,229	29,561	39,517	631,360	40,569	81.9%
11	Stoke City	27,225	26,500	27,789	517,290	27,789	98.0%
12	Norwich City	26,605	26,107	26,819	505,509	27,033	98.4%
13	Wolverhampton	25,671	22,657	27,447	487,763	29,195	87.9%
14	Fulham	25,292	23,555	25,700	480,557	25,700	98.4%
15	West Bromwich	24,798	22,474	26,358	471,165	28,003	88.6%
16	Bolton	23,669	20,028	26,901	449,729	28,723	82.4%
17	Blackburn	22,551	18,003	26,532	428,474	31,367	71.9%
18	Swansea City	19,946	18,985	20,605	378,978	20,605	96.8%
19	Wigan Athletic	18,633	15,796	22,187	354,038	25,138	74.1%
20	QP Rangers	17,295	15,195	18,076	328,613	18,360	94.2%

FIGURE 5. Home Attendance of the 2011/12 Season (Premier League Stats of the 2011/12 Season, 2012)

According to the statistics of the attendance in the 2011/12 season, over half of the clubs got the attendances over 95%, especially the three clubs which just promoted (Norwich City, Swansea City and Queens Park Rangers). Only four clubs got the attendances below 80%. On the other hand, compared with the past, almost all of the clubs have raised their ticket prices quite a lot, which have already become the highest ones in Europe. This might caused the reducing of match day revenue which has been mentioned above. But the attendance shows that the Premier League can still attract numerous spectators even though they have to pay much more money to watch the matches.

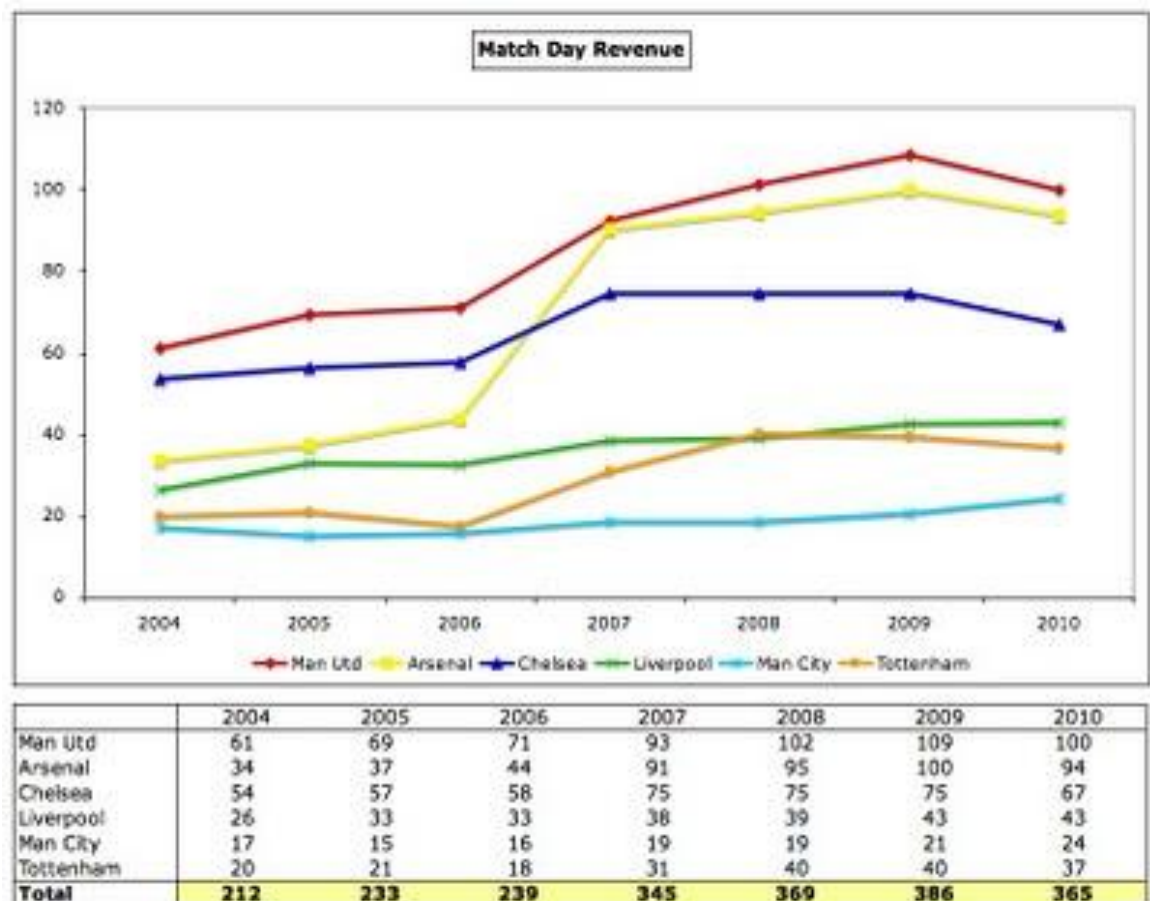


FIGURE 6. Match Day Revenue of the Premier League from 2004 to 2010 (Deloitte Sports Business Group, 2010)

In order to increase the number of the spectators, some clubs will choose to build a new stadium which could be quite a lot larger than the old one or expand the capacity of the current stadium. These could make the clubs get obviously more revenue from match day. In the 2006/07 season, after moving to the new stadium, the match day revenue of Arsenal was 91 million pounds, which was the double of the previous 44 million pounds. In the same season, after the expansion for their current stadium, Manchester United also increased their match day revenue from 71 million pounds to 93 million pounds.

3.4. Commercial income

With the outstanding domestic market environment and successful commercial operation, the Premier League can always get much commercial income besides the revenue from

television and match day. There are three kinds of revenue which account for a large part of commercial income: the revenue from sponsors, investors and player transfers.

3.4.1. Sponsors

The Premier League is currently sponsored by Barclays Bank, which has just signed a new three-year deal to extend its title sponsorship of the Premier League. The new deal will be worth totally 1.2 billion pounds and run from 2013/14 to the end of the 2015/16 season. Same as the league, the clubs could also get their own sponsors, for example, the shirt sponsorship.

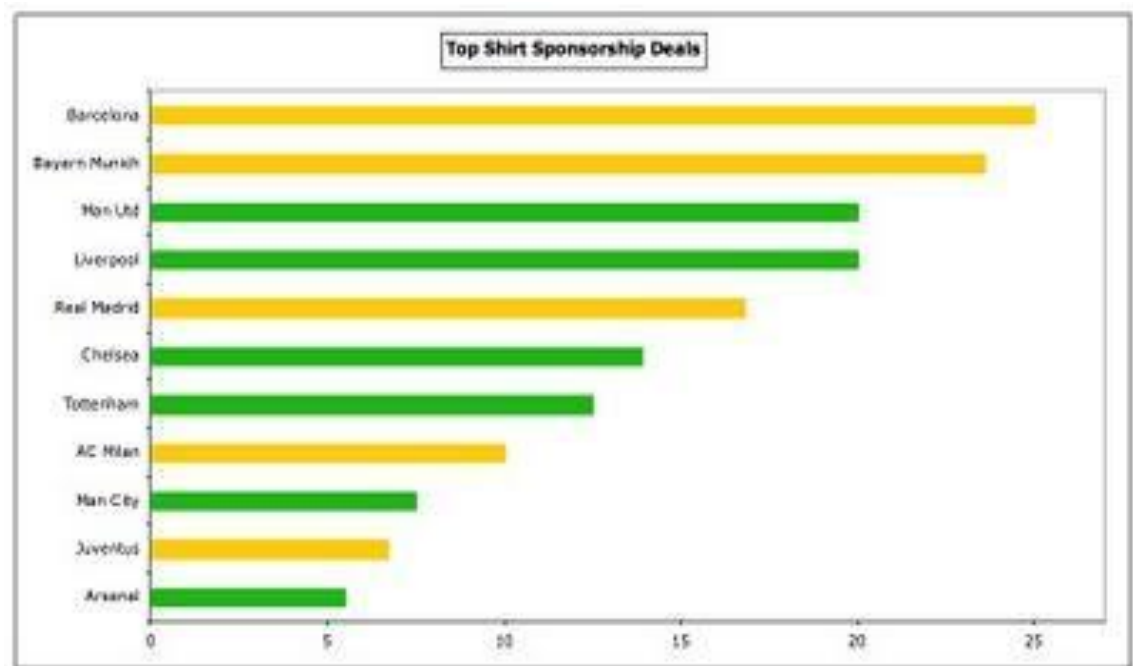


FIGURE 7. Top Shirt Sponsorship Deals in Europe (Deloitte Sports Business Group, 2010)

In the 2010/11 season, there are six Premier League clubs in the top 11 of the rank by the value of the shirt sponsorship deals of European football clubs. Most of them had got rises in the revenue from their shirt sponsors, for example, Chelsea, which had signed a new deal with Samsung which would be worth 14 million pounds, a rise by 4 million pounds to

the previous one. At the same time, they also extended their sponsorship deal for their football equipment with Adidas for the next eight years, which would have the value of 20 million pounds each season, a rise by 8 million pounds to the past.

Another way for Premier League clubs to get sponsors is to sell the naming rights of their stadiums. In order to get enough funding for the construction of the new stadium, Arsenal signed a fifteen-year deal with Emirates Airlines which would be worth 90 million pounds. As mentioned before, this long-term deal brought them not only the funds for building a new stadium, but also a huge increase in their match day revenue.

3.4.2. Investors

More and more investors have been attracted by the prospects for development of the Premier League in recent years, especially the overseas investors. The best example is Chelsea football club. Before the summer of 2003, the club was almost on the edge of bankruptcy because of the terrible operating conditions. In the June 2003, Abramovich (a Russian business tycoon) became the owner of Chelsea and started to develop the club. By now he has invested hundreds of millions of pounds for player transfers, stadium expansion, youth academy and promotion of the club. These invests have finally succeeded to expand the influence of Chelsea football club and bring them huge returns in their commercial income. (Liu, 2005)

3.4.3. Player Transfers

With the huge rise of the transfer fees of the football players, some clubs also choose to improve their commercial income through the transfers of some football players. In the summer transfer window in 2009, Manchester United sold Cristiano Ronaldo at a transfer fee of 80 million pounds to Real Madrid, which is now still the most expensive transfer fee in the world.

3.4.4. Other Commercial Income

The Premier League clubs always have a lot of other commercial revenue besides those mentioned above. For example, the sales of the kits and official souvenirs, the sales of the stadium advertisements, the revenue from electronic commerce, the portrait rights of the players and so on.

4. SUCCESS ASSETS OF ENGLISH PREMIER LEAGUE

The revenue situation shows that the operation of the Premier League is quite successful.

The success assets of the Premier League can be summarized in three parts: environmental factors, commercial factors and organizational factors.

4.1. Environmental

The success of the Premier League is based on the suitable domestic environment for the development of football.

As the birthplace of modern football, England always has a strong football culture. This brings the Premier League enough domestic sources of both football fans and football players. All kinds of English football clubs will always have their loyal supporters, whether they are top clubs or small clubs. Most of the parents in England would also like to support their children if they decide to be a professional football player.

In addition, with one of the best investment environments in the world, the Premier League can always attract lots of investors. This brings the clubs enough funds for their developments. All kinds of football clubs can always get enough investments, whether big clubs or small clubs.

4.2. Commercial

The success in commercial operation is the most important factor for the success of the Premier League, which can be shown by their successful promotion and multi-faceted commercial revenue.

4.2.1. Successful Promotion

The successful promotion brings the Premier League not only the huge commercial income, but also huge influences all around the world. Dislike the domestic fans, most of the oversea fans always have a wide range of options to follow a foreign club, especially the fans in Asia, Africa and north America. So it is quite necessary to have a successful promotion strategy if the league wants to attract the foreign fans.

4.2.1.1. The Levels of the Matches

The most direct way to promote the league is to improve the level of the matches, which depend on the rankings of the clubs, the popularities of the clubs and the level of the players.

With the huge investments of most of the clubs, the Premier League can always attract quite a lot of top foreign players. Plus the sufficient resource of domestic football players, the matches of the Premier League can always keep a high level.

4.2.1.2. The Successful Broadcasting

The Premier League always has good cooperation with Sky Sports in the broadcasting business since its establishment in 1992. Nowadays, with the successful marketing strategy of Sky Sports, the matches of Premier League are broadcasted in 211 countries and regions, much more than those of the Spanish La Liga or the Italian Serie A, which are both broadcasted in around 50 countries and regions. (Audience Rating of the Premier League, 2011)

Besides the developed technology of broadcasting, one important marketing strategy of the Premier League is that they rescheduled the matches after considering the time difference between the overseas markets. For example, considering the Asian market, there will be at

least one of the matches between some top clubs arranged to start in the afternoon in England (the prime time in Asia).

4.2.1.3. Overseas Pre-season Matches

Nowadays more and more clubs choose to play their pre-season matches in some foreign countries during the summer breaks of the league. The main purpose of these matches is to develop the local market where the matches will be held in order to improve the potential growths of revenue in the future, for example, the possible increase in the value of overseas television rights, or the sales of kits and souvenirs. (Liu, 2005)

4.2.2. Multi-faceted Commercial Revenue

With the outstanding commercial operation, the Premier League always has a wide range of commercial revenue.



FIGURE 8 Licensing Business of Manchester United (Manchester United LTD, 2012)

For example, according to the preliminary prospectus of Manchester United this year, the club can make quite a lot of revenue from their licensing business of sponsorship, retail, football kits, official souvenirs, E-commerce and football academies.



FIGURE 9. New Media Business of Manchester United (Manchester United LTD, 2012)

In addition, they can also make revenue from their new media businesses such as the player image rights, the multimedia rights of the league matches and the cup matches, and other content like interviews, TV programs, advertisements and so on.

4.3. Organizational

With the long history of the professionalization of football, the Premier League has succeeded to building a professional league system.

4.3.1. Advanced Club System

The clubs of the Premier League are all listed companies so that each club has its independence of finance and management. Most of the majority shareholders of the

Premier League clubs will be only responsible for the investments of the clubs so that the clubs could have their own rights to operate. At the same time, the diversification of property rights also ensures that even if the majority shareholder divests, the club could still be operated as usual in a period of time.

The Premier League is also a listed companies itself which means it has the independence of commercial development. The ownership of the Premier League belongs to all the Premier League clubs. This ensures the rights and interests of all the clubs. (Liu, 2005)

Distribution of Premier League Funds 2011/12							
£ mlns	PL Place	Live Matches	Equal Share	Facility Fees	Merit Payment	Overseas TV	Total Payment
			50%	25%	25%	100%	
Manchester City	1	25	13.8	12.9	15.1	18.8	60.6
Manchester United	2	26	13.8	13.4	14.3	18.8	60.3
Arsenal	3	19	13.8	10.1	13.6	18.8	56.2
Tottenham Hotspur	4	23	13.8	12.0	12.8	18.8	57.4
Newcastle United	5	18	13.8	9.6	12.1	18.8	54.2
Chelsea	6	20	13.8	10.6	11.3	18.8	54.4
Everton	7	10	13.8	5.8	10.6	18.8	48.9
Liverpool	8	23	13.8	12.0	9.8	18.8	54.4
Fulham	9	10	13.8	5.8	9.1	18.8	47.4
West Brom	10	10	13.8	5.8	8.3	18.8	46.6
Swansea City	11	10	13.8	5.8	7.6	18.8	45.9
Norwich City	12	11	13.8	6.3	6.8	18.8	45.6
Sunderland	13	10	13.8	5.8	6.0	18.8	44.4
Stoke City	14	10	13.8	5.8	5.3	18.8	43.6
Wigan Athletic	15	10	13.8	5.8	4.5	18.8	42.9
Aston Villa	16	10	13.8	5.8	3.8	18.8	42.1
QPR	17	14	13.8	7.7	3.0	18.8	43.3
Bolton Wanderers	18	10	13.8	5.8	2.3	18.8	40.6
Blackburn Rovers	19	11	13.8	6.3	1.5	18.8	40.3
Wolves	20	10	13.8	5.8	0.8	18.8	39.1
Sub-Total		290	275.8	158.6	158.6	375.3	968.2
Birmingham City			7.6			7.9	15.5
Blackpool			7.6			7.9	15.5
West Ham			7.6			7.9	15.5
Burnley			6.2			6.0	12.2
Hull City			6.2			6.0	12.2
Portsmouth			6.2			6.0	12.2
Middlesbrough			2.8			1.3	4.1
Total			319.9	158.6	158.6	418.3	1,055.4

FIGURE 10. Distribution of Premier League Funds of the 2011/12 Season (Deloitte Sports Business Group, 2012)

According to the distribution of Premier League Funds in the 2011/12 season, the revenue from the overseas television rights will be shared equally by all the Premier League clubs. At the same time, 50% of the domestic revenue will also be shared equally by all the Premier League clubs. The other half will be distributed depending on the live matches and the rankings of the clubs. In addition, the top clubs in the Football League Championship could also share a few of the revenue, which is much less than that shared by the Premier League.

The distribution makes quite fair benefits for all the Premier League clubs. On the other hand, the clubs still need to improve their levels to get more benefits than before, or avoid being demoted to the lower division, which could cause a quite huge loss of benefits.

4.3.2. Fairness

Fairness is always the most important factor in competitive sports. The Premier League has implemented the professional referee system since 2001 in order to avoid the problem of bribery and improve the levels of the referees. Besides this, the English law also makes the ways of punishment for match-fixing. (Liu, 2005)

5. DEFECTS OF CHINESE SUPER LEAGUE

The defects of Chinese Super League will be easily found out after listing the success assets of the Premier League, which could also be summarized by the environmental factor, commercial factor and organizational factor.

5.1. Environmental

The football environment in China is obviously worse than that in England. According to the data from Chinese Football Association, the total number of registered football players in China is only 8000. Compared with the total population of China, the football participation in China is quite low. This causes the lack of not only football fans but also top football players. In addition, because of the lack of prospects for development, it will be quite difficult for Chinese Super League to attract investors. (Football Participation in China, 2011)

5.2. Commercial

The commercial operation of Chinese Super League is running not badly recently, but there are still some shortages, for example, the lack of attractiveness to the domestic football fans and the lack of long-term investments for the football clubs.

5.2.1. Lack of Attractiveness

The matches of Chinese Super League cannot attract most of the Chinese football fans because of the low qualities of the matches. As mentioned above, most of the Chinese football fans would like to watch the matches of the European leagues which are held at

midnight of the local time rather than watch the matches of the Chinese leagues which are held at eight o'clock in the evening.

5.2.2. Lack of Long-term Investments

Most of the clubs only think about the immediate interest instead of paying more attention to long-term investments. At the beginning of the investments, some parent companies of the clubs might invest huge amount of funds for purchasing top players and paying their salaries instead of improving their home stadiums, training centers or reserve teams. If the clubs cannot get enough rewards in a period of time, most of the parent companies will lose their interest of the investments and choose to abandon their clubs. And then it will be quite difficult for the clubs to operate without any long-term planning.

5.3. Organizational

As the professionalization of Chinese football has been experienced only nineteen years, the defects in the league system of Chinese Super League seem to be quite serious.

5.3.1. Incomplete Professionalization

The ownerships of the Chinese Super League clubs belong to their major sponsors so that they are not able to get the independence of finance and management. And once the parent company of a club stops the investment, the club will meet the dangers of suspended operations or even dissolution.

The problem of incomplete professionalization can also be shown by the management of the league. Although Chinese Super League has become a listed company since 2004, the ownership of the league still belongs to the Chinese Football Association instead of the clubs. For this reason, most of the profit of the league will be distributed to the Football

Association every year, and the clubs could only share the rest. (Chinese Football Development Forum, 2012)

5.3.2. Match-fixing and Bribery

Match-fixing is now the most serious problem of Chinese Super League which makes people loose confidence in the Chinese football. Some players and referees cheat in the matches after accepting the bribes from some gaming companies or other clubs.

Besides these, the briberies of the officials also seem to be a quite serious problem. In the season 2006, some senior officials of Chinese Football Association accepted bribes from a British internet company and sold the naming right of the league to this company by 60 million yuan. But until the company went bankrupt in 2008, there were still more than 54 million yuan missing from the payment. (Chinese Football Development Forum, 2012)

6. IMPROVEMENTS FOR CHINESE SUPER LEAGUE

Although the situation of the domestic environment in China is quite different to that in England, it will still be possible to make some improvements for the operation of Chinese Super League by learning the success of the Premier League.

6.1. Environmental

The main idea of the improvement of the football environment is to attract more people to play football or at least have interest in this sport. Just like all the other sports, only few of the football players will be able to have chances to play for the professional football clubs, even though most of them have been trained in the youth teams since childhood. This means that most of the players have to find other jobs instead of being professional football players.

However, because of the lack of quality educations, it will be quite difficult for them to get a chance of good jobs. Because of this, quite a lot of parents will refuse to make their children be professional football players. So it will be quite necessary to make some improvements for the education of the football players in order to solve their re-employment problems.

One good way is to make some improvements for campus football in colleges. The clubs can sponsor to arrange some regional campus football leagues and select some players who got good performances during the matches to training with their reserve teams. If these players are considered to be able to be professional football players, the clubs could offer contracts to them after they graduate from the colleges. This could not only improve the level of education of the football players, but also provide more resource of football players for the football clubs.

6.2. Commercial

The main target for the improvement of the commercial operation is to increase the source of football fans and players. And the final purpose is still to increase the commercial revenue.

6.2.1. Improvements for the Qualities of the Matches

The qualities of the matches can be divided into two parts: the levels of the matches and the quality of broadcasting.

6.2.1.1. Purchasing Top Players

Same as all the other football leagues in the world, the basic way to improve the levels of the football matches is to purchase top players from other leagues.

Before 2010, Guangzhou Evergrande Football Club was only in the second division in Chinese football league system. In the March of 2010, after being taken over by Evergrande Real Estate Group, the club got enough money to make developments. Most of the investment was for the transfers of overseas and domestic top players. This brought the club not only the champions of the 2011 season, but also the huge increase of the attendance. (Home Attendance of Guangzhou Evergrande Football Club, 2012)

6.2.1.2. Improvements for the Broadcasting Conditions

The league needs to make more cooperation with the television channels in order to improve the broadcasting technology. For example, the clubs can invest to the cooperative TV station in improving the broadcasting equipments. At the same time, the clubs need to make improvements for their stadiums, not only for improving the effect of broadcasting, but also for attracting more audiences to come to the stadiums. The league also needs to

make some provisions for the specifications of the stadiums. If the specification of a stadium does not meet the requirements, the club must improve their stadium immediately, otherwise they will be disqualified from the league.

6.2.2. Football Youth Academies

The long-term investment in football by youth academies will bring both commercial income and source of football players. In addition, it will save a lot of money for purchasing players from other club after series of successful youth trainings.

As mentioned above, Guangzhou Evergrande Football Club got enough funds for their operation from the investment of Evergrande Real Estate Group. After purchasing top players and improving their club facilities, they chose to make an investment of 700 million yuan to build their own football youth academy with the cooperation of Real Madrid Football Club. (Evergrande Football School Opening Ceremony, 2012)



FIGURE 11. Evergrande Football School (Evergrande Football School Opening Ceremony, 2012)

The benefits of this academy can be reflected in many aspects. Firstly, it will be quite helpful to increase the domestic football participation in China. Unlike the youth teams of the clubs, the students can get high quality education as well as enough training. For this reason more parents will prefer to send their children to the academy rather than send them to the youth teams. Secondly, this will also be helpful in solving the re-employment problems of the football players, not only because of the high quality education for the students, but also because of the positions which can be set up for the former players or retired players. Thirdly, both the club and the parent company can improve their domestic influence because of this investment and the recruitment of students. And then, the cooperation of a famous foreign club will be obviously helpful in improving the quality of football training and education of the academy. They can get enough resource of high-level teachers from the cooperative club. The students will also get chances to exchange to the cooperative academy in order to get experience of high-level football environment. Lastly, the cooperation can also improve the overseas influence of the club, which will be helpful to attract more foreign high-level players.

6.3. Organizational

The main purpose for improving the organization system of Chinese Super League is to improve the professionalization of the league.

6.3.1. Improvements for the Independence of the Clubs

Although we are not able to improve the club system of Chinese Super League currently, we can still make some improvements for the independence of the clubs. For example, the parent company of a club could give the club enough independence for the management by improving the authority of the manager of the club, instead of intervening in the management of the football teams.

The league also needs to get independence from the football association. The ownership of the league should be taken over by all the clubs of the league. The responsibility of the football association should be supervision and administration, instead of the league operation.

6.3.2. Improvements for the Fairness of the League

The problem of match-fixing should be totally banned. It is necessary to make ways of punishment for match-fixing in the law.

In 2010, Chinese Football Association began to implement series of activities of anti-gambling. As a result, 59 persons were sentenced to a total of more than 200 years in prison, which include the senior officials of Chinese Football Association, the owner of some football clubs, some former football players, some football referees and so on. This could be a good start for abandoning corruption of football and regain the confidence of the football fans for Chinese football. (Chinese Football Anti-gambling Activities, 2012)

7. CONCLUSIONS

In fact, the prospect of Chinese football leagues was quite optimistic when the professionalization of football was just started in 1994. But nowadays, compared with the foreign high-level football leagues like English Premier League, our Chinese Super League still has quite a lot of disadvantages in many aspects.

Firstly, the football environment in China is much worse than that in England. Although we have a huge population, the total number of registered football players in China is still much less than in many other countries. For this reason, the football participation in China might be maintained at a low level for a long time, which will directly cause the lack of football fans, players and investors.

Secondly, although the commercial operation of Chinese Super League has progressed a lot in recent years, it will still be possible to find some shortages after making a comparison with that of English Premier League. The most obvious shortage is the lack of attraction to the domestic football fans, which can be reflected in the lack of both the audiences who come to the stadiums and the viewers who watch television at home. In addition, most of the Chinese clubs are lacking of long-term investments compared with the Premier League clubs.

Lastly, compared with English Premier League, which has the experience of professionalization for more than 120 years, Chinese Super League has some defects which seem to be quite serious. Most of the Chinese clubs are lacking of the independence of finance and management from their parent companies. More than the clubs, the league is also lacking of the independence of its own operation from the football association, because the ownership of the league belongs to the football association instead of the clubs

from the league. This will cause not only some problems of management, for example, the distribution of the profits, but also the problems of match-fixing and bribery.

All above shows that it will be quite necessary for the Chinese football league to get some improvements whether in domestic football environment, commercial operation or organization.

To improve the domestic football environment, the clubs can sponsor to arrange some regional campus football leagues between some colleges and sign some students who got good performances during the matches as professional football players after they graduate from the colleges. This could not only improve the level of education of the football players in order to solve their re-employment problems, but also provide more resource of football players for the football clubs.

To improve the commercial operation, the clubs need to improve the qualities of the matches by purchasing top players and improving the broadcasting conditions in order to attract more football fans to watch the matches, whether coming to the stadium or watching television at home. The investments of football youth academies will be a good way for the clubs to get their profits in the future as their long-term investments.

To improve the organization of the league, the owners of the clubs should give the clubs enough independence of finance and management so that the clubs will be able to maintain their operations even if the parent companies meet some troubles like the lack of funds. The clubs also need to take over the ownership of the league from the football association in order to improve the league system. Then the football association will be able to pay more attention to supervision and administration in order to avoid the problems of match-fixing and bribery.

Fortunately, more and more people have begun to attach importance to Chinese football. Some clubs have already made quite a lot of improvements for their operations and got

much better performance than in the past. This will inspire the confidence of football practitioners and football fans in the prospect of Chinese football, and help us to create a much better football environment, and make our own football league more attractive and more professional.

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